



ETHICS COMMISSION

DRAFT AMENDMENTS TO CAMPAIGN FINANCE REFORM ORDINANCE REGULATIONS REGARDING PUBLIC FINANCING

Regulation 1.142-3: Supporting Material Required for Qualifying and Matching Contributions.

- (a) The supporting material and information required under sections 1.142(b) and 1.144(f) shall include the following:
- (1) A copy of the deposit slip and deposit receipt for each qualifying or matching contribution.
 - (2) Documentation showing that a contribution was made, such as:
 - i)(A) for contributions made by check, a copy of the check itself and a listing of all contributions in a batch of deposited checks (each batch should be numbered);
 - ii)(B) for contributions made by credit card, documentation from the credit card merchant showing the accountholder's name, the accountholder's billing address, the date the transaction was initiated, and the amount of the contribution; or
 - iii)(C) for cash contributions, a signed and dated contributor card that includes the committee's name, the amount of the contribution, and the contributor's name and residential address in San Francisco.
- (b) In addition, the supporting material shall demonstrate that the contributor is a San Francisco resident by providing evidence of any of the following:
- (1) the contributor uses a San Francisco residential address as the address on any bank account or any account with a financial institution, through the submission of copies of recent bank statements, ~~or~~ personal checks, or Address Verification Service information listing the account holder's address;
 - (2) the contributor uses a San Francisco residential address as a billing address, through the submission of copies of recent credit card or utility bills;

- (3) the contributor lives at a San Francisco address, through the submission of copies of a current deed or lease;
- (4) the contributor uses a San Francisco residential address as a mailing address, through the submission of copies of recent mail received by the contributor;
- (5) the contributor is currently registered to vote in San Francisco;
- (6) the contributor has represented to a government agency that he or she lives at a San Francisco address, through the submission of copies of a driver's license, passport, government-issued identification card, or tax returns; ~~or~~
- ~~(7) the contributor resides at a San Francisco address on a regular, ongoing basis, through the submission of any documents created or provided by a non-interested third party that independently confirm that the contributor lives in San Francisco.~~

For the purposes of this regulation, "Address Verification Service" shall mean the system used by credit card processors to verify that the address provided by a person using the credit card is the billing address for the credit card account.

(c) A candidate may not submit affidavits or declarations as proof of a contributor's residency in San Francisco.

Regulation 1.142-6: Certification.

(a) Executive Director's Determination.

(1) The Executive Director shall determine whether to certify a candidate no later than 30 days after the candidate submits the documents required under sections 1.142(a) and 1.142(b).

(2) Any candidate who files Form SFEC-142(a) indicating an intent to participate in the public financing program but who fails to file Form SFEC-142(b) by the 70th day before the election is ineligible to participate in the public financing program and the Executive Director shall notify the candidate that he or she is ineligible.

(3) The Executive Director may take whatever steps he or she deems necessary to determine whether to certify a candidate including, but not limited to, reviewing the materials submitted by a candidate, auditing a candidate's records, and interviewing a candidate's contributors. In addition, the Executive Director may require any candidate to file Form SFEC-152(a)-1 or SFEC-152(b)-1 in order to determine whether a candidate who seeks public financing is opposed by another candidate pursuant to section 1.140(b)(3) or 1.140(c)(3).

(4) The Executive Director may not review a Form SFEC-142(b) filed by a candidate unless and until the candidate has filed a Form SFEC-142(a) indicating an intent to participate in the public financing program.

(5) The Executive Director may not review a Form SFEC-142(b) filed by a candidate if the candidate has failed to file the Form SFEC-142(b) by the deadline established by Section 1.142(b) or, for resubmissions, the deadline established by Section 1.142(f).

(b) Conditional Certification.

(1) The Executive Director may conditionally certify a candidate for the Board of Supervisors in order to comply with the 30-day requirement set forth in subsection (a) of this regulation and subsection (c) of section 1.142. The Executive Director may issue a conditional certification if a candidate for the

Board of Supervisors has satisfied every requirement for certification except the requirement that the candidate be opposed by another candidate who has either established eligibility to receive public financing, or has received contributions or made expenditures which in the aggregate equal or exceed \$5,000. A candidate who has received a conditional certification shall be eligible to begin to receive public financing at any time after the Executive Director determines that the candidate is opposed by another candidate who has either established eligibility to receive public financing, or has received contributions or made expenditures which in the aggregate equal or exceed \$5,000. A conditional certification, by itself, does not establish that a candidate is eligible to receive public funds.

(2) The Executive Director may conditionally certify a candidate for the Mayor in order to comply with the 30-day requirement set forth in subsection (a) of this regulation and subsection (c) of section 1.142. The Executive Director may issue a conditional certification if a candidate for Mayor has satisfied every requirement for certification except the requirement that the candidate be opposed by another candidate who has either established eligibility to receive public financing, or has received contributions or made expenditures which in the aggregate equal or exceed \$50,000. A candidate who has received a conditional certification shall be eligible to begin to receive public financing at any time after the Executive Director determines that the candidate is opposed by another candidate who has either established eligibility to receive public financing, or has received contributions or made expenditures which in the aggregate equal or exceed \$50,000. A conditional certification, by itself, does not establish that a candidate is eligible to receive public funds.

(c) Refiling.

Any candidate who has filed a Form SFEC-142(b) may, at any time on or before the 70th day before the election in which the candidate will appear on the ballot, withdraw and refile a Form SFEC-142(b) and supporting documentation. To withdraw a Form SFEC-142(b), a candidate must state in a writing sent to the Commission, via email, U.S. mail, or personal delivery, that the candidate is withdrawing the previously filed Form SFEC-142(b). When refiling, a candidate may include qualifying contributions and supporting documentation that were not included in the Form SFEC-142(b) that was withdrawn. As set forth in Section 1.142(e), the Executive Director must determine whether to certify a candidate no later than 30 days after a candidate refiles a Form SFEC-142(b), provided that the Executive Director shall make his or her determination no later than the 55th day before the election.

(d) Resubmission.

Any candidate who is notified by the Executive Director that the candidate's Form SFEC-142(b) and supporting documentation do not establish the candidate's eligibility is ineligible to receive public funding may, within five business days of the date of notification, resubmit his or her ~~declaration~~ Form SFEC-142(b) and supporting documentation. When resubmitting a Form SFEC-142(b), the candidate may not include additional qualifying contributions but may include additional supporting documentation. If the candidate does not timely resubmit, the Executive Director's determination is final. If, after reviewing resubmitted materials, the Executive Director does not certify the candidate's eligibility, the Executive Director shall notify the candidate of his or her final determination. Additional resubmissions may be permitted in the Executive Director's discretion, provided that no resubmissions for certification may be made later than the 60th day before the election. If the candidate fails to resubmit in the time specified by the Executive Director, or if no further resubmissions are permitted, the Executive Director's determination is final.

(d) Appeals to Commission.

(1) A candidate may appeal to the Ethics Commission the Executive Director's final determination not to certify or conditionally certify the candidate. Either the Ethics Commission or a member of the Commission designated by the Commission may consider and decide such appeals. The candidate must deliver the written appeal to the Ethics Commission within five calendar days of the Executive Director's final determination.

(2) A final determination is a finding by the Executive Director, made following a review pursuant to Section 1.142(c) or 1.142(f), that a Form SFEC-142(b) and supporting documentation timely filed by a candidate pursuant to Section 1.142(b) does or does not establish the candidate's eligibility for public funding. A candidate who has failed to timely file a Form SFEC-142(a) or Form SFEC-142(b) may not appeal his or her failure to meet a deadline established by CFRO or these regulations to the Commission.

(3) The Commission may vacate the Executive Director's final determination that a candidate's Form SFEC-142(b) and supporting documentation fail to establish the candidate's eligibility for public funding if the candidate demonstrates that Staff's review of the Form SFEC-142(b) and supporting documentation was arbitrary and capricious in a way that materially and adversely affected the Executive Director's final determination.